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F4E9ARAS UNITED STATES DISTRICT COURT 1 SOUTHERN DISTRICT OF NEW YORK 2 3 UNITED STATES OF AMERICA, 4 13 CR 811 (ALC) V. 5 GUILLERMO ARAUJO, 6 Defendant. -----x 7 8 New York, N.Y. April 14, 2015 9 4:19 p.m. 10 Before: 11 HON. ANDREW L. CARTER, JR. 12 District Judge 13 14 **APPEARANCES** 15 PREET BHARARA United States Attorney for the Southern District of New York 16 JASON MASIMORE 17 Assistant United States Attorney 18 DAVIS POLK & WARDWELL Attorneys for Defendant 19 MARTINE M. BEAMON RACHELLE NAVARRO 20 JAMIE BAGLIEBTER 21 22 23 24 25

1	(In open court; case called)
2	MR. MASIMORE: Good afternoon, your Honor.
3	Jason Masimore for the government. With me is
4	probation officer Emily Frankelis.
5	MS. BEAMON: Martine Beamon, Rachelle Navarro and
6	Jamie Bagliebter of Davis Polk for Mr. Araujo.
7	THE COURT: Good afternoon.
8	Good afternoon, Mr. Araujo.
9	THE DEFENDANT: Good afternoon, sir.
10	THE COURT: In preparation for today's sentencing I've
11	reviewed the presentence report and submissions by defense
12	counsel.
13	I don't believe I have a submission from the
14	government.
15	Is there anything else that I should have?
16	MR. MASIMORE: No. That's correct, your Honor.
17	MS. BEAMON: Your Honor, I just received one
18	additional letter from the family. It's from Mr. Araujo's
19	mother. May I hand it up to the Court? I have reviewed it
20	with the government.
21	THE COURT: Counsel for the government has a copy as
22	well?
23	MR. MASIMORE: I have seen a copy.
24	MS. BEAMON: Thank you, your Honor. And my apologies.
25	THE COURT: Just one moment.

(Pause)

Thank you. I believe I've already done this but to the extent that I haven't, so the record is complete, I accept his guilty plea.

Counsel for the defense, have you read the presentence report and reviewed it with your client?

MS. BEAMON: We have, your Honor.

THE COURT: Mr. Araujo, have you had the opportunity to see the presentence report and let your attorney know about anything that should be corrected in there?

THE DEFENDANT: Yes, your Honor.

THE COURT: Counsel for the government, have you reviewed the presentence report?

MR. MASIMORE: I have, your Honor.

THE COURT: I haven't seen any objections to anything in the presentence report by the defense or the government.

Are there any objections to the presentence report or anything in the presentence report by the government or the defense?

MS. BEAMON: Your Honor, as an addendum to our letter in connection with the sentencing we attached a letter that we sent to the probation office after we received the probation office's recommendation. It relates not to the acceptance of the full scope of the conspiracy but the number of burglaries in which Mr. Araujo is specifically alleged to have

1 participated in.

In truth, your Honor, I think that it's beside the point in the sense that Mr. Araujo has accepted responsibility fully for the full scope of the conspiracy. But we just wanted to be clear with the probation department — we hadn't objected to any of the facts. We just wanted to make clear what our agreement was with the government.

So I think there is nothing more that your Honor has to do, and Ms. Frankelis has responded and has not changed her recommendation. So I don't think that there's anything further that your Honor needs to take up.

THE COURT: Thank you. Government anything to add on that?

MR. MASIMORE: No, your Honor. I'm happy to answer any questions if the Court has any.

THE COURT: Although I'm no longer required to adhere strictly to the Sentencing Guidelines it's still necessary for me to determine the appropriate guideline range. I have looked at the presentence report. I've done my own guideline calculation. And I am going to adopt the guideline calculation set forth in the presentence report. I don't believe there are any objections to that. But I want to just confirm that for the record.

Is there any objection to the guideline calculation as set forth in the presentence report by the defense?

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MS. BEAMON: No, your Honor. We arrived at the plea agreement -- at it from a different mechanism, but we don't object to the calculation in the PSR.

THE COURT: By the government?

MR. MASIMORE: I have the same response as the defense. No objection.

THE COURT: So, based on my own evaluation of the guideline range and also based on the lack of any objection by the government or the defense, I find that the guideline total offense level is 27, Criminal History Category III, which has a guideline range of 87 to 108 months.

This is the point in which I generally want to hear from both sides regarding any issue they wish to raise regarding sentencing. But there is something that the defense has pointed out in their submission that I'd like the parties to address, and it may be necessary to adjourn the sentence to give the parties some more time to address that and to give me total clarification on these issues. So let me just tell the parties what I think I need further elucidation on.

The defense has raised the issue of Mr. Araujo's state sentences for conduct that is related to the conduct charged here in federal court, and has made certain requests and assertions regarding the amount of time that he should get credit for or might get credit for. And there is a request that I run the sentence here, whatever that sentence is going

to be, concurrent with the undischarged term of custody that he still needs to serve in state court.

Let me tell the parties what my initial thinking is on that. I have not yet decided what the sentence should be in this case. But my inclination is that whatever that sentence is or will be he should not end up doing more time as a result of being picked up by the state earlier for conduct that is clearly relevant to the conduct here. That is what the guidelines advise me to do. And I think that that's appropriate in this case as well.

So I want to get a clearer sense from the parties regarding that. My understanding is, based on the defense submission, is that there are two prior state convictions for burglaries that are related to this case. And on one of those cases in the state he was sentenced to a term of, I believe, 18 months. And that sentence has been complete. On the other one he was sentenced to a term of 3 to 6 years, had served 10 months, was released, was on parole or on supervision, violated a term of supervision, was told to complete drug treatment and in the midst of that drug treatment was picked up by federal authorities and brought over on a writ here.

Is that a fair assessment of what's going on here?

MS. BEAMON: That's all correct, your Honor.

THE COURT: And the government, is that correct?

MR. MASIMORE: That's our understanding as well.

THE COURT: The defense wants me to, as I understand it, give him credit for the 18 months that he has already served in state custody because since that sentence has been fully discharged he will not get credit for that sentence here, but maybe that's where I'm mistaking what the defense's position is. Can I get some further elucidation from the defense on that.

MS. BEAMON: Certainly, your Honor. So there -- as your Honor points out, there are two -- I consider them to be two categories. First, the sentences that he previously served. Just in state custody. No involvement by the federal court. And then the time that he has been in custody on the writ. And that's about 17 months, your Honor, rather than 19.

It's our understanding, through some kind of arcane counting mechanism, that Mr. Araujo does not get credit in federal custody for the time that he has spent in federal custody on the writ. And so one category that we request -- we understand that it is a common solution in this courthouse and across the street -- is that when someone hasn't been in on a writ, into federal custody, that the Court has -- often gives credit for that time so that they are not -- so that the defendant is not losing that time essentially.

It's particularly an acute situation here because the state sentence from which he was writted on would have been satisfied some time ago, probably within a month of -- two

months of arriving in federal custody, because he was just completing that program. He had been asked to complete a particular program. So it's particularly acute here, that he's in on the writ from federal custody and doing time that he wouldn't have had to do in the state.

THE COURT: So, again, I just want to make sure that I'm clear. Because it sounds like there's three different time periods that we're talking about. There's the 18 months for a prior sentence. There's the 10 months for an earlier sentence. And then there's the 17 months on the time that he's been here on the writ.

MS. BEAMON: That's a better way to think of it, your Honor, you're right.

THE COURT: And my understanding is that the defense wants me to run whatever this sentence will be concurrent with the undischarged term of the state sentence; is that correct?

MS. BEAMON: That's correct, your Honor. And I have to say that that's a belt and suspenders request, your Honor, to be sure that there will be no further double counting. So we're requesting the credit and then that prospectively any sentence be served — that this sentence be served concurrently with any undischarged state sentence.

THE COURT: That's what I guess I'd like to get some further information on. Because what I'm concerned about -- an again the guidelines suggest that there should be one

overarching term of custody for this relevant conduct. And I agree with that in this case.

What I'm concerned about is if I reduce his sentence here by 17 months to give him credit for time that he would not be receiving otherwise. And if I give him credit for the 18 months, which it seems more clear to me that he would not get credit for that, it would be impossible for me to run a sentence concurrent with a sentence that's already been served.

MS. BEAMON: That's correct.

THE COURT: Then there's the issue of the ten months and the issue of the undischarged term. And I'm not clear from what the defense has submitted -- and I'm not sure the defense knows -- how much more time he needs to serve in state custody. I'm not sure if there's a conditional release date. And what I'm concerned about is even if I were to say I am going to run this sentence concurrent with the undischarged term of the state sentence there is no guarantee that that would actually be effective because if the Bureau of Prisons does not give him -- my saying that doesn't require the Bureau of Prisons to give him credit for that time. I don't believe so. That's what I'm concerned about. And it may be -- that's what I'm concerned about. I think I need more information about when his conditional release date and the like is.

MS. BEAMON: Sure. Your Honor my colleague Rachelle Navarro is here at counsel table, has spent hours on the phone

with New York state authorities as well to make sure that we have this all correct. I can tell you that what Mr. Araujo was facing at the time that he was writted here was an additional one month incarceration at Willard where he was doing further drug treatment. That was the extent of what had been ordered at the time, your Honor, with respect to his parole issue. It's not technically revocation. That's why I'm calling it parole issue. So he would have been discharged one month after he had come into federal custody had he had not come and had there been no further issues.

We understand that his maximum release date or the maximum period during which he can be subject to parole is March of 2018, your Honor. So that is three years from now, approximately, a little less than three years from now.

But I'm not sure that answers all of your Honor's questions. I think that perhaps one of the things your Honor is asking is -- what we do know -- let me say what we do know and make us sure that I understand your Honor's questions.

So with respect to the past offenses, I think your Honor is correct past offenses -- past sentences served in the state, your Honor is correct, that time was done. There's nothing more to run concurrently.

With respect to the 17 months that he has spent in custody now, the first issue is has he been -- is he being credited in federal custody for that time? And we think the

only way for him to be credited in federal custody is for your Honor to credit him on the sentence.

With respect to that same amount of time on the state side, I think the answer is we do not know for certain that it will be credited to him on the state side, even though it's running in the state, it is conceivable that he will have to go back to Willard and serve another month, although we will pursue with the state authorities whether we can get them to credit his federal time so that he does not have to return to Willard and finish out a sentence, and that any additional time that could be — for which his parole could be revoked, to the extent that that's going — on a going forward basis, that if your Honor runs the federal sentence concurrent with that state time, that that will cover the remainder of his parole, his period on parole.

Conferring with my colleague. Did I get that all right? I'm getting a nod, your Honor.

THE COURT: What I want to be clear about is I want to make sure there is no double counting either way. If I give him credit off of this sentence — if I subtract 17 months from this sentence then there is no issue in terms of that 17 months being concurrent with anything. He will have received credit for that.

MS. BEAMON: That is correct, your Honor.

I guess -- it would not be a double count, your Honor.

But while he was here -- conceivably the state could say that with respect to that one additional month that he was to serve at Willard, that he might get credit for that month while he was in federal custody, since your Honor is crediting him.

THE COURT: I guess -- I'm not as concerned with what the state does in terms of the state trying to run something concurrent in terms of that month there or not.

MS. BEAMON: Yes.

THE COURT: My sense is that it's clearer under New York State's corrections law that the state can run their sentences concurrent with the federal sentences in a much more efficient manner. That's not quite what my concern is.

My concern is assuming I reduce his sentence by 17 months which then eliminates in terms of federally this issue of concurrent time for that 17 months, in terms of him doing an additional 17 months that he wouldn't have to do.

MS. BEAMON: Yes.

THE COURT: By giving him credit for those 17 months, that takes care of that issue.

In terms of assuming that the sentence that I impose is greater than 17 months, whatever additional sentence is imposed, the fact that I announce that I want that to run concurrent with a state sentence, I'm not sure that the Bureau of Prisons is bound by that. I'm not sure where he will be a prisoner. It seems that -- my sense is right now, and that's

why I'd like some further information from the parties, my sense is he's a state prisoner right now. And if I run this federal sentence concurrent with this other sentence and he's still technically in state custody, I'm not sure if that's going to effectuate what we're all trying to — or at least what I am trying to accomplish. I guess I shouldn't say what we are all trying to accomplish, but what the guidelines tell me I should try to do.

It certainly is possible that there are other solutions. It certainly may be that it's more appropriate to reduce the sentence some other way and run this sentence consecutive and just make sure that there is a total sentence of whatever it is that I find to be appropriate will be served. But I want to make sure that there is no situation in which I am intending to run something federally concurrent with a state sentence that is not actually going to be effective. So I think my sense is we may need to adjourn this so that I can get some more information.

You're talking about his maximum expiration date.

Again, what I'm concerned about is giving him too much credit.

Right. His maximum expiration date is not the same as his conditional release date. If the maximum expiration date is essentially three years from now and if I were to give him credit for all of that time, then I'm giving him essentially perhaps too much credit if his conditional release date is a

month from now or eight months from now. So I want to make sure that I'm doing everything appropriately and not giving him too little credit but also not giving him too much credit for that as well. So I think it's important for me to have not just the maximum expiration date but the conditional release date and get a further sense from the state as to what's going on and what potentially might go on.

MS. BEAMON: May I have one moment, your Honor?
THE COURT: Yes.

(Pause)

MS. BEAMON: So, your Honor, one thing that we don't have a precise date on despite hours on the phone with BOP in the state is a precise conditional release date. So we'd be happy to get that for your Honor.

My colleague is noting that one possibility, and perhaps your Honor would still like briefing, but I'll just mention it, but one possibility that we have mentioned in our sentencing letter is that if Mr. Araujo were returned to Willard to serve out his time, then we would have a fixed end date for his state time and then he could be sentenced and your Honor would have the full benefit of the knowledge with respect to his state custody.

But if your Honor would like, we can explore all of this, put it in a letter, we can work with the government to make sure that we're all on the same page precisely on that and

then we can further brief it for your Honor.

THE COURT: And how would that be accomplished? That sounds like that would be something that would require the government to indicate that the writ was potentially satisfied and then re-writ him back here.

MS. BEAMON: I think that's right, your Honor. I think they'd have to put -- they'd have to put a hold -- they'd have to release -- say the writ is satisfied and then they'd have to put another hold on him so that when he's released from state custody that he's marked released into the public and then he will be brought back into federal custody.

THE COURT: Does the government have any position on that?

MR. MASIMORE: I'm certainly willing to explore that possibility. It seems to make sense that if there's just approximately 30 days left on a state sentence to send him back to fulfill, that sort of takes care of that issue and it seems like it would make it easier for the Court to arrive at a sentence that achieves what the Court is trying to do. I can look into the mechanical requirements that I have to do, whether I say it's satisfied, whether I say it's on hold.

I guess the other thing we would have to look into is what we would need in place, whether we would need -- what we would need in place to make sure that at the end of his term at Willard he's not released but is brought back to our custody.

Sounds like we would have a little time to work that out.

Maybe we could figure that out.

THE COURT: So why don't we do this. A couple of things. Obviously we're going to need to adjourn the sentence so that I can get this information and/or so that the parties can perhaps work amongst themselves. I'm certainly willing to go along with that if that's something the government and the defense wish to do. I'll go along with that and he can go back to state — to the state and figure out what's going to happen with his state sentence and then we can come back here. I'm certainly willing to do that.

The other thing I would like to do, though, is that it seems there are many family members and friends here in the audience. I know this case was originally scheduled for sentencing yesterday. There was some mixup and Mr. Araujo wasn't produced. I will give the defense an opportunity, if they like -- you don't have to -- to call one of those family members to address me if they'd like to do that and we can do that now while the family members are here because I'm not sure -- they've obviously taken time out of their day. I'm not sure if they will be able to make it here the next day, whenever that is going to be.

Is the defense interested in doing anything like that?

MS. BEAMON: We are, your Honor.

I just note for the record, so that your Honor has the

There are eleven of Mr. Araujo's friends and family 1 2 members present here today. There were an additional four individuals who were here yesterday for the sentencing who 3 4 could not be here today; so, fifteen in total. And I believe that it is Mr. Araujo's sister, Julie, who would like to speak 5 6 to the Court briefly. 7 THE COURT: So let's have her come into the witness 8 stand. 9 JULIE AQUINO, 10 called as a witness by the Defendant, 11 having been duly sworn, testified as follows: 12 THE COURT: Speak into the microphone so we can hear 13 you. 14 Do you have any questions for this witness, counsel. MS. BEAMON: I think that Ms. Aquino just wanted to 15 make a brief statement, your Honor, on behalf of the family. 16 17 THE COURT: Okay. 18 THE WITNESS: Good afternoon, your Honor. My name --THE COURT: Please speak into the microphone. 19 20 THE WITNESS: Good afternoon, your Honor. 21 My name is Julie Aquino. I'm Guillermo Araujo's 22 sister. 23 Today in the audience is his mother, Teresa Aquino. 24 His dad, Guillermo Araujo. His son, Guillermo Araujo, Jr.

He's three years old. His niece, Kilsi Polanco.

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girlfriend, Yocania Rosario. The mother of his child, Michele Guzman. Kimberly, Cynthia, and Katherine, his friends. And Elizabeth Baptista is the grandmother of his child. And Africa Dominguez, she's a friend.

So today, in these 18 months I want -- I know my brother Guillermo has made a mistake. In these 18 months, I have seen a great change in him. I'm proud of him. He knows what he's done has been wrong. And we are here a hundred percent to support him and guide him through the correct path. And his son is here too, misses him and prays everyday in church for his return home. And I'm just here to say that we love him. We miss him. And as his family we're going to help him, guide and go through this. And when he comes home we are going to show him to continue going through the correct path so he will not commit this again.

THE COURT: Thank you. Counsel for the government do you have any questions?

MR. MASIMORE: No questions, your Honor.

MS. BEAMON: Thank you, your Honor.

Thank you, Julie.

THE WITNESS: You're welcome.

THE COURT: I would like to thank all the members of the family for being here and showing your support today and I'd like to thank everyone for submitting all of those letters that are very helpful for me in making this difficult decision.

So I thank you for all of that. Thank you for your support of Mr. Araujo. And thank you in advance for your continued support for him.

So, again, I think it's appropriate to adjourn this matter and we'll deal with the rest of the sentencing issues later. But let's go ahead and adjourn this matter.

Yes, counsel.

MR. MASIMORE: Your Honor, may I make one additional request. We handed up earlier an amended preliminary forfeiture order. The parties have signed it. I think the Court could enter that today and that would be not at cross-purposes with what we're trying to achieve with respect to the length of the sentence.

THE COURT: Defense counsel?

MS. BEAMON: We don't have any objection to that, your Honor.

THE COURT: Okay.

I have the amended forfeiture order on consent before me. I will enter that. Is there anything else we need to deal with today?

MS. BEAMON: Your Honor, can I just make one more note because we'll explain this at some length in our -- additional submissions to your Honor about the length of time.

But your Honor correctly notes that there are essentially three periods that we've been focused on: An

18-month sentence, a 10-month sentence, and then the time he's been here on the writ. I just wanted to make clear, and we'll go into this in more detail. The 18-month sentence in the state was a discharged sentence. The 10-month sentence in the state is an undischarged sentence. From a 3553(a) perspective, your Honor is free to consider both of those sentences in the same manner. But the guidelines actually address discharged and undischarged sentences slightly differently. The effect, your Honor, I don't think is any different. But we can go into that in some greater detail in the sentencing submission. And there's a specific note to the commentary that I'll highlight for your Honor in that regard. But nothing that needs to be done today.

THE COURT: So why don't we do this. Counsel for the government has indicated that he's willing to explore the possibilities of allowing Mr. Araujo to return to state custody and figure out what's going on with that parole revocation and that's something that the defense has requested and I'm willing to go along with that.

Why don't we do this. Why don't we set a date approximately 30 days from now. But in the interim I'll ask the parties to give me a joint status report in two weeks. And that status report should obviously deal with these issues concerning the writ.

It seems as, at least of today, the parties are in

agreement that they'd like to try to effectuate some sort of procedure to make sure that Mr. Araujo can go back into -- more fully into state custody, resolve those issues while still having a hold here federally, so he's not released into the general public after the state case has been totally resolved, and then being brought back here.

So how does that sound to the parties as a possible suggestion? We'll have a joint status report in two weeks.

We'll set a control date for 30 days or perhaps — perhaps we don't need a control date. Perhaps we'll just have a joint status report — no. Let's have a control — let me just find out. If I set a control date, does counsel for the government know if there is a date on the calendar for Mr. Araujo, is that going to frustrate any — in terms — is that going to be somehow frustrating your efforts to say the writ is satisfied if there's a date on the calendar?

MR. MASIMORE: I don't think it will. I think it makes sense if we put a date on the calendar. If I find out that this is something we can do and that what is frustrating it is that date, perhaps I can write a letter and ask the Court to take the date off the calendar. I don't see why it would frustrate the effort because I think we sort of have control over that by requesting the writ; otherwise, the state doesn't even know about a date. So I think that would be fine.

I would just ask that it be -- the status letter be

due two weeks from Friday, if possible.

THE COURT: That's fine. So let's have that due on May 1. And let's set a sentencing date, a control date, let's say, perhaps May 15.

MR. MASIMORE: Your Honor, one other thing that occurred to me. Perhaps it may actually help our efforts if the Court were to set a sentencing date somewhat far out because then maybe -- again I have to find out if this is a possibility -- if we mark the writ as satisfied, then there will be this other date that I could then use for another writ, just to give us the most options available.

THE COURT: Defense counsel have any position on that?

MS. BEAMON: That's fine, your Honor. And then we can -- we might have more clarity in two weeks and then we can always revise as necessary.

THE COURT: So let's do that. Why don't we pick a date sometime for the middle or end of July, Tara.

THE DEPUTY CLERK: Friday, July 17 at 11:00 a.m.

THE COURT: Does that work for everyone?

MS. BEAMON: Yes. Your Honor, I presume that if we feel -- we understand that this cannot satisfy the Court's concern, then we can move that up.

THE COURT: Yes.

Anything else from the government today?

MR. MASIMORE: Your Honor, I understand Probation

Officer Frankelis will not be around on July 17. 1 2 THE COURT: Is the following week better for you? MS. FRANKELIS: Your Honor, I have a preplanned 3 4 vacation that entire week but the following week I'm available. 5 THE COURT: Can we do July 24, Tara? 6 THE DEPUTY CLERK: Yes. At 2:00 p.m. 7 THE COURT: Does that work for everyone? 8 MS. BEAMON: That's fine, your Honor. 9 MR. MASIMORE: Yes, your Honor. 10 THE COURT: So July 24 at 2:00 p.m. 11 Anything else from the government today? 12 MR. MASIMORE: No, your Honor. Thank you. 13 THE COURT: Anything else from the defense? 14 MS. BEAMON: No, your Honor. Thank you very much. 15 THE COURT: So, Mr. Araujo, do you understand what's happening here today? We're adjourning the sentence because I 16 17 want to get more information about what's going on in the 18 state. Do you understand that? 19 THE DEFENDANT: Sir, yes, sir. Thank you, your Honor. 20 THE COURT: All right. Thank you. Everyone have a 21 good day. Thank you, marshals. 22 (Adjourned) 23 24 25